

AMENDED IN SENATE FEBRUARY 12, 2014

AMENDED IN SENATE JULY 2, 2013

AMENDED IN SENATE JUNE 13, 2013

AMENDED IN ASSEMBLY MAY 24, 2013

AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 582

Introduced by Assembly Member Members Levine and Chesbro
(Principal coauthor: Senator Evans)

February 20, 2013

An act to ~~repeal and add Section 14105.485 of the Welfare and Institutions Code, relating to Medi-Cal; add Section 5451.7 to the Government Code, relating to local finance, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 582, as amended, ~~Chesbro~~ *Levine*. ~~Medi-Cal: complex rehabilitation technology. Palm Drive Health Care District: certificates of participation: lien.~~

The Local Health Care District Law authorizes health care districts in the state to provide for various forms of financing for the purpose of carrying out their duties under the law, including financing secured by public revenues.

This bill would require that all obligations of the Palm Drive Health Care District in connection with specified certificates of participation

be secured by a statutory lien on all of the revenues generated from certain dedicated parcel taxes, according to specified criteria.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Palm Drive Health Care District.

This bill would declare that it would take effect immediately as an urgency statute.

~~Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law requires the department to establish a list of covered services and maximum allowable reimbursement rates for durable medical equipment and requires the list to be published in provider manuals. Existing law requires a provider of custom rehabilitation equipment and custom rehabilitation technology services, as defined, to have a qualified rehabilitation professional on staff, as prescribed, and requires a medical provider to conduct a physical examination of an individual before prescribing a motorized wheelchair or scooter for a Medi-Cal beneficiary.~~

~~This bill would, until January 1, 2019, recast these provisions to apply to complex rehabilitation technology, as defined. The bill would require that complex rehabilitation technology be recognized as a separate benefit by the Medi-Cal program in both fee-for-service and managed care delivery systems. The bill would require complex rehabilitation technology be subject to a prior authorization process, as specified, and would authorize the department to adopt additional utilization controls, as appropriate, and additional requirements for Medi-Cal coverage, as specified.~~

~~Vote: majority ²/₃. Appropriation: no. Fiscal committee: yes-no. State-mandated local program: no.~~

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 5451.7 is added to the Government Code,
- 2 to read:
- 3 5451.7. (a) All obligations of the Palm Drive Health Care
- 4 District in connection with any and all certificates of participation
- 5 executed and delivered, or revenue bonds issued, by or on behalf
- 6 of the district between August 15, 2005, and December 31, 2014,
- 7 including certificates of participation executed and delivered or

1 revenue bonds issued before 2035 to refund the revenue bonds or
2 certificates of participation, shall be secured by a statutory lien
3 on all of the revenues generated from parcel taxes levied pursuant
4 to Measure W, approved by the voters of the district at the general
5 election held on November 2, 2004.

6 (b) This lien shall arise automatically without the need for any
7 action or authorization by the district or the board of directors of
8 the district. The lien shall be valid and binding from the time the
9 certificates of participation are executed and delivered or the
10 revenue bonds are issued.

11 (c) The parcel tax revenue shall immediately be subject to this
12 lien, and the lien shall immediately attach to the parcel tax revenue
13 and be effective, binding, and enforceable against the district, its
14 successors, purchasers of those revenues, creditors, and all others
15 asserting rights therein, irrespective of whether those parties have
16 notice of the lien and without the need for any physical delivery,
17 recordation, filing, or further act.

18 SEC. 2. The Legislature finds and declares that a special law
19 is necessary and that a general law cannot be made applicable
20 within the meaning of Section 16 of Article IV of the California
21 Constitution because of the unique circumstances regarding
22 financing obligations of the Palm Drive Health Care District.

23 SEC. 3. This act is an urgency statute necessary for the
24 immediate preservation of the public peace, health, or safety within
25 the meaning of Article IV of the Constitution and shall go into
26 immediate effect. The facts constituting the necessity are:

27 In order to enable the Palm Drive Health Care District to
28 complete its financing, and meet its obligations to employees,
29 vendors, and other creditors in a timely manner, it is necessary
30 for this act to take effect immediately.

31 SECTION 1. ~~It is the intent of the Legislature to do all of the~~
32 ~~following:~~

33 ~~(a) Provide the support necessary for patients with complex~~
34 ~~rehabilitation technology needs to stay in their homes or~~
35 ~~community settings, prevent avoidable institutionalization, and~~
36 ~~reduce secondary medical complications.~~

37 ~~(b) Ensure adequate access to appropriate complex rehabilitation~~
38 ~~technology and support services for complex needs patients.~~

39 ~~(c) Recognize the value of preventive and specialized services~~
40 ~~in the treatment of complex needs patients.~~

1 ~~(d) Acknowledge the importance of the hands-on professional~~
2 ~~resources required for effective evaluation and configuration of~~
3 ~~complex rehabilitation technology.~~

4 ~~(e) Establish or improve safeguards related to the delivery of~~
5 ~~complex rehabilitation technology.~~

6 ~~(f) Ensure cost efficiency in the provision of complex~~
7 ~~rehabilitation technology.~~

8 ~~SEC. 2. Section 14105.485 of the Welfare and Institutions~~
9 ~~Code is repealed.~~

10 ~~SEC. 3. Section 14105.485 is added to the Welfare and~~
11 ~~Institutions Code, to read:~~

12 ~~14105.485. (a) For purposes of this section, the following~~
13 ~~definitions apply:~~

14 ~~(1) “Complex rehabilitation technology” means any item, piece~~
15 ~~of equipment, or product system, whether modified or customized,~~
16 ~~that is used to increase, maintain, or improve functional capabilities~~
17 ~~with respect to mobility and reduce anatomical degradation and~~
18 ~~complications of individuals with disabilities. Complex~~
19 ~~rehabilitation technology includes, but is not limited to,~~
20 ~~nonstandard manual wheelchairs, power wheelchairs, seating~~
21 ~~systems that are specially configured, ordered, and measured based~~
22 ~~on patient height, weight, and disability, specialized wheelchair~~
23 ~~electronics and cushions, custom bath equipment, standers, gait~~
24 ~~trainers, and specialized strollers.~~

25 ~~(2) “Complex rehabilitation technology services” includes the~~
26 ~~application of enabling systems designed and assembled to meet~~
27 ~~the needs of a patient experiencing any permanent or long-term~~
28 ~~loss or abnormality of physical or anatomical structure or function~~
29 ~~with respect to mobility. These services include, but are not limited~~
30 ~~to, the evaluation of the needs of a patient with a disability,~~
31 ~~including an assessment of the patient for the purpose of ensuring~~
32 ~~that the proposed equipment is appropriate; the documentation of~~
33 ~~medical necessity; the selection, fit, customization, maintenance,~~
34 ~~assembly, repair, replacement, pick up and delivery, and testing~~
35 ~~of equipment and parts; and the training of an assistant caregiver~~
36 ~~and of the patient who will use the technology or individuals who~~
37 ~~will assist the complex needs patient in using the technology.~~

38 ~~(3) “Complex rehabilitation technology provider” means a~~
39 ~~company or entity that complies with all of the following:~~

1 (A) ~~Meets the supplier and quality standards established for a~~
2 ~~durable medical equipment supplier under the Medicare Program~~
3 ~~and is enrolled as a provider in the Medi-Cal program.~~

4 (B) ~~Is accredited by a recognized accrediting organization as a~~
5 ~~supplier of complex rehabilitation technology.~~

6 (C) ~~Employs or contracts with at least one qualified~~
7 ~~rehabilitation technology professional for each distribution location.~~

8 (D) ~~Has the qualified rehabilitation technology professional~~
9 ~~physically present for the evaluation and determination of the~~
10 ~~complex rehabilitation technology provided.~~

11 (E) ~~Maintains a reasonable supply of parts, adequate physical~~
12 ~~facilities, and qualified service or repair technicians, and provides~~
13 ~~patients with prompt services and repair for all complex~~
14 ~~rehabilitation technology supplied.~~

15 (4) ~~“Qualified rehabilitation technology professional” means~~
16 ~~an individual to whom either one of the following applies:~~

17 (A) ~~The individual is a registered member in good standing of~~
18 ~~the National Registry of Rehabilitation Technology Suppliers~~
19 ~~(NRRTS), and holds the designation of Certified Complex~~
20 ~~Rehabilitation Technology Specialist.~~

21 (B) ~~The individual has successfully passed the credentialing~~
22 ~~examination and received the credential of Assistive Technology~~
23 ~~Professional (ATP) from the Rehabilitation Engineering and~~
24 ~~Assistive Technology Society of North America (RESNA), or~~
25 ~~other credentialing organization recognized by the department.~~

26 (b) ~~Complex rehabilitation technology shall be recognized as a~~
27 ~~separate benefit by the Medi-Cal program in both fee-for-service~~
28 ~~and managed care delivery systems.~~

29 (c) ~~Any provider of complex rehabilitation technology to a~~
30 ~~Medi-Cal beneficiary shall have on staff, either as an employee or~~
31 ~~independent contractor, or have a contractual relationship with, a~~
32 ~~qualified rehabilitation technology professional who is directly~~
33 ~~involved in determining the specific complex rehabilitation~~
34 ~~technology needs of the patient and is directly involved with, or~~
35 ~~closely supervised in, the final fitting and delivery of the complex~~
36 ~~rehabilitation technology.~~

37 (d) ~~A medical provider shall conduct a physical examination of~~
38 ~~a patient who is a Medi-Cal beneficiary before prescribing complex~~
39 ~~rehabilitation technology. The medical provider shall complete a~~
40 ~~certificate of medical necessity, developed by the department, that~~

1 documents the medical condition that necessitates the technology
2 and verifies that the patient is capable of using the technology
3 safely.

4 ~~(e) The department may adopt additional requirements for~~
5 ~~Medi-Cal coverage, including a speciality evaluation by a physical~~
6 ~~therapist licensed pursuant to Chapter 5.7 (commencing with~~
7 ~~Section 2600) of Division 2 of the Business and Professions Code,~~
8 ~~an occupational therapist licensed pursuant to Chapter 5.6~~
9 ~~(commencing with Section 2570) of Division 2 of the Business~~
10 ~~and Professions Code, or other licensed health care professional~~
11 ~~approved by the department. The licensed health professional~~
12 ~~performing the specialty evaluation may not have a financial~~
13 ~~relationship with the complex rehabilitation technology provider.~~

14 ~~(f) Notwithstanding Section 14133.05, complex rehabilitation~~
15 ~~technology shall be subject to a prior authorization process in~~
16 ~~which services are approved based on the medical, physical, and~~
17 ~~functional needs of the patient, as demonstrated in documents~~
18 ~~prescribed by the department. Prior authorization may be obtained~~
19 ~~through the treatment authorization request process set forth in~~
20 ~~Section 51321 of Title 22 of the California Code of Regulations.~~
21 ~~The department may adopt additional utilization controls for~~
22 ~~complex rehabilitation technology, as appropriate.~~

23 ~~(g) Contracts initiated by the department with managed care~~
24 ~~plans shall be consistent with the requirements of this section.~~

25 ~~(h) This section shall remain in effect only until January 1, 2019,~~
26 ~~and as of that date is repealed, unless a later enacted statute, that~~
27 ~~is enacted before January 1, 2019, deletes or extends that date.~~

28 ~~SEC. 4. Section 14105.485 is added to the Welfare and~~
29 ~~Institutions Code, to read:~~

30 ~~14105.485. (a) Any provider of custom rehabilitation~~
31 ~~equipment and custom rehabilitation technology services to a~~
32 ~~Medi-Cal beneficiary shall have on staff, either as an employee or~~
33 ~~independent contractor, or have a contractual relationship with, a~~
34 ~~qualified rehabilitation professional who was directly involved in~~
35 ~~determining the specific custom rehabilitation equipment needs~~
36 ~~of the patient and was directly involved with, or closely supervised,~~
37 ~~the final fitting and delivery of the custom rehabilitation equipment.~~

38 ~~(b) A medical provider shall conduct a physical examination of~~
39 ~~an individual before prescribing a motorized wheelchair or scooter~~
40 ~~for a Medi-Cal beneficiary. The medical provider shall complete~~

1 a certificate of medical necessity, developed by the department,
2 that documents the medical condition that necessitates the
3 motorized wheelchair or scooter, and verifies that the patient is
4 capable of using the wheelchair or scooter safely.

5 (e) For purposes of this section, the following definitions apply:

6 (1) “Custom rehabilitation equipment” means any item, piece
7 of equipment, or product system, whether modified or customized,
8 that is used to increase, maintain, or improve functional capabilities
9 with respect to mobility and reduce anatomical degradation and
10 complications of individuals with disabilities. Custom rehabilitation
11 equipment includes, but is not limited to, nonstandard manual
12 wheelchairs, power wheelchairs and seating systems, power
13 scooters that are specially configured, ordered, and measured based
14 on patient height, weight, and disability, specialized wheelchair
15 electronics and cushions, custom bath equipment, standers, gait
16 trainers, and specialized strollers.

17 (2) “Custom rehabilitation technology services” means the
18 application of enabling technology systems designed and assembled
19 to meet the needs of a specific person experiencing any permanent
20 or long-term loss or abnormality of physical or anatomical structure
21 or function with respect to mobility. These services include, but
22 are not limited to, the evaluation of the needs of a patient with a
23 disability, including an assessment of the patient for the purpose
24 of ensuring that the proposed equipment is appropriate, the
25 documentation of medical necessity, the selection, fit,
26 customization, maintenance, assembly, repair, replacement, pick
27 up and delivery, and testing of equipment and parts, and the
28 training of an assistant caregiver and of a patient who will use the
29 equipment or individuals who will assist the client in using the
30 equipment.

31 (3) “Qualified rehabilitation professional” means an individual
32 to whom any one of the following applies:

33 (A) The individual is a physical therapist licensed pursuant to
34 the Business and Professions Code, occupational therapist licensed
35 pursuant to the Business and Professions Code, or other qualified
36 health care professional approved by the department.

37 (B) The individual is a registered member in good standing of
38 the National Registry of Rehabilitation Technology Suppliers, or
39 other credentialing organization recognized by the department.

- 1 ~~(C) The individual has successfully passed one of the following~~
- 2 ~~credentialing examinations administered by the Rehabilitation~~
- 3 ~~Engineering and Assistive Technology Society of North America:~~
- 4 ~~(i) The Assistive Technology Supplier examination.~~
- 5 ~~(ii) The Assistive Technology Practitioner examination.~~
- 6 ~~(iii) The Rehabilitation Engineering Technologist examination.~~
- 7 ~~(d) This section shall become operative on January 1, 2019.~~